

AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

October 2, 2012





These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

Grants and Demonstrations

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

Grant Activity

September 27, 2012 HHS awarded a \$41,679,505 Level 1 Exchange Establishment Grant under ACA §1311 to the Health Connector. The grant award will assist the Health Connector in its efforts to successfully transition to an ACA-compliant state-based Exchange while still maintaining a commitment to its existing members served under today's exchange model. Among other things, funding from this grant will support the development of a robust risk-adjustment program that will ensure stability in our merged market. A significant portion of this request will fund a multi-agency project overseen by the Health Connector, the Executive Office of Health and Human Services and the University of Massachusetts Medical School to build a single, integrated "real-time" eligibility system to determine eligibility for state and federally-subsidized health insurance coverage.

The grant abstract can be viewed on our website under the Grants section at: http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/grants/120814-coop-agreement-state-insurance.pdf

September 26, 2012 The Department of Public Health submitted an application to the CDC for a Emergency Medical Services for Children (EMSC) State Partnership Grant under ACA §5603. Funding is available to states to help improve and expand upon their ability to reduce pediatric emergencies.

DPH submitted an application in the Partnership category. State Partnership grants are designed to help states integrate research-based knowledge and state-of-the-art systems into existing healthcare systems. If awarded a grant, DPH will use the funds to strengthen emergency care for children by providing low-cost pediatric educational offerings to EMTs, supporting pediatric instructor development, engaging with School Health, and working with the State Child Fatality Review Team to reduce childhood injuries and deaths.

The project narrative can be viewed on our website under the Grants and Demonstrations section at: http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/grants/120926-emsc-project-narrative.pdf

September 21, 2012 The Executive Office of Health and Human Services, on behalf of the Commonwealth of Massachusetts, submitted a grant application under ACA §3021 to the CMS Center for Medicare and Medicaid Innovation for model testing funds from the opportunity titled "State Innovation Models: Funding for Model Design and Model Testing Assistance."

The proposed project is a multi-payer model to transform the state's health care delivery system by moving the market away from fee-for-service payments and towards a system capable of delivering on the triple aim: better care, better health, and lower costs. This project builds upon the state's cost containment legislation, Chapter 224 of the Acts of 2012, and the history of innovation and multi-stakeholder engagement in Massachusetts.

If funded, this model is designed to support the primary care base of the delivery system, build the appropriate connections between primary care and other providers, and leverage primary care to promote change across the delivery system. The operational structure for this model consists of four key elements, each of which motivates investments proposed under this grant:

1) a statewide cross-payer approach to providing provider organizations with the data required for care coordination and accountability; 2) a statewide quality strategy, which aligns all payers around a standard set of quality metrics and facilitates multi-payer data collection, measure calculation, and data transmission via the Health Information Exchange (HIE); 3) a robust set of public health and community-based services and strong linkages among these services and other parts of the health care delivery system; 4) a multi-payer statewide approach to learning, evaluation and dissemination of best practices. This shared operational structure minimizes the burden of participation on providers, reduces redundancy and promotes alignment of operational systems across payers.

More information about the CMS' State Innovation Models initiative is available at: http://innovations.cms.gov/initiatives/state-innovations/index.html

The project abstract can be viewed on our website under the Grants and Demonstrations section at: http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/grants/120921-state-innovation-models.pdf

Guidance

10/1/12 IRS/Treasury published a notice of public hearing on proposed rulemaking regarding the proposed rule "Additional Requirements for Charitable Hospitals." The subject of the hearing is <u>the proposed rule</u> that was published in the June 26, 2012 Federal Register.

The proposed regulations provide guidance regarding requirements under ACA §9007 and

§10903 for charitable hospital organizations relating to financial assistance and emergency medical care policies, charges for certain care provided to individuals eligible for financial assistance, and billing and collections. The proposed rules seek to clarify hospitals' responsibilities under the ACA and give patients at least four months to apply for financial help before hospitals can surrender their claims to collections agencies or file lawsuits. The proposed regulations would also require hospitals to establish financial assistance policies (FAPs) and provide patients with the information needed to apply for such help.

The hearing is scheduled for October 29, 2012 and the IRS must receive outlines of proposed comments to be discussed at the hearing by October 29, 2012.

Read the notice of hearing at: http://www.gpo.gov/fdsys/pkg/FR-2012-10-01/pdf/2012-24115.pdf

9/21/12 the Office of Personnel Management (OPM) issued a request for comments on a Multi-State Plan Program (MSPP) application. ACA §1334 requires the OPM, which administers the Federal Employees Health Benefits Program (FEHBP), to contract with at least two Multi-State Plans (MSPs). By 2014, each of the MSPs must offer individual and small group coverage plans through the Exchanges in at least 60% of the states, and by 2017 in all states. According to the statute, at least one of the MSPs must be non-profit and at least one must not offer the option of abortion coverage. The MSPP is intended to increase competition and ensure plan choice in state health insurance markets. Health insurance issuers who wish to offer MSPs will complete an application. OPM is requesting comments on the draft MSPP application that health insurers who seek to offer MSPs will be required to complete; OPM is not yet accepting actual applications from health insurers.

Although the MSPP is a federal program it will offer products through the state-level exchanges. In addition to compliance with the ACA's requirements that apply to all qualified health plans, MSP's must also comply with applicable FEHBP requirements and be licensed by the states in which they do business. Under the ACA, OPM will negotiate a contract with each multi-state qualified health plan in order for that plan to be certified for participation in that state's exchange.

Comments on the draft application are due by October 22, 2012.

View the draft application and instructions about how to submit comments at: fbo.gov
Prior quidance can be viewed at www.healthcare.gov

News

9/27/12 HHS announced that 810 community health centers will receive a total of \$44,442,451 in funding to transition into patient-centered medical homes and improve the quality of care they provide. The funding, which is authorized under ACA §5601, will be used for enhanced care coordination and management and also to increase the rates of cervical cancer screening. Thirty-two Massachusetts community health centers received awards of \$55,000 each, totaling \$1,760,000.

Read the press release at: http://www.hhs.gov/news/press/2012pres/09/20120927b.html
For a complete list of grantees, visit:

http://www.hrsa.gov/about/news/2012tables/120927healthcentersquality.html

9/27/12 CMS announced that seven organizations have been awarded cooperative agreement awards under ACA §3021 to partner with 145 nursing facilities to

implement the Initiative to Reduce Avoidable Hospitalizations among Nursing Facility Residents. The initiative will test models to improve the quality of care and help reduce avoidable inpatient hospitalizations among nursing facility residents. CMS is funding organizations that provide enhanced on-site services and supports to nursing facility residents and implement evidence-based interventions that both improve care and lower costs.

The initiative is focused on long-stay nursing facility residents who are enrolled in the Medicare and Medicaid programs (known as duals). Through this initiative, CMS will partner with eligible, independent, non-nursing facility organizations (referred to as "enhanced care and coordination providers") to implement and test evidence-based interventions that reduce avoidable hospitalizations. These organizations will collaborate with nursing facilities and State Medicaid programs to provide better quality of care in nursing facilities.

Implementation of the initiative will begin later this year at 145 nursing facilities in seven states in partnership with the following organizations: 1) Alabama Quality Assurance Foundation (Alabama); 2) Alegent Health (Nebraska); 3) The Curators of the University of Missouri (Missouri); 4) Greater New York Hospital Foundation, Inc. (New York); 5) HealthInsight of Nevada (Nevada); 6) Indiana University (Indiana); and 7) UPMC Community Provider Services (Pennsylvania). Interventions will be evaluated for their effectiveness in improving health outcomes and providing residents with a better care experience. The Initiative will be managed collaboratively by the CMS Medicare-Medicaid Coordination Office and the Center for Medicare and Medicaid Innovation, both created by the ACA to improve health care quality and reduce costs in the Medicare and Medicaid programs. CMS issued a Request for Applications on March 15, 2012.

More information about this initiative is available at: http://innovations.cms.gov/initiatives/rahnfr/.

9/27/12 HHS announced the awarding of over \$224 million in Affordable Insurance Exchange grants to 5 states (including Massachusetts) and the District of Columbia to help them create exchanges under ACA §1311. The announcement of Level One Establishment Grant funding will give states more resources to build exchanges and implement the ACA. States receiving these one-year awards are: Arkansas, Colorado, Kentucky, Massachusetts, and Minnesota. Please see the grant activity section above for more information on the Massachusetts award. The District of Columbia received a Level Two Exchange Establishment Grant, a multi-year grant awarded to states further along in building their ACA Exchanges.

With this announcement, a total of 49 states, the District of Columbia, and four territories have received grants to begin planning their Exchanges, and 34 states and the District of Columbia have received grants to begin building their Exchanges.

These grants are part of a series of ACA grants to help states develop exchanges. On February 22, 2012 HHS awarded an \$11,644,938 Level 1 Exchange Establishment Grant under ACA §1311 to the Health Connector. Massachusetts also received a \$1 million planning grant in September 2010 and is the leading partner in a consortium of the six New England states that received a \$35.6 million Early Innovator grant in February 2011.

The ACA allows each state the opportunity to establish an Affordable Insurance Exchange to help individuals and small employers purchase affordable health insurance coverage that begins on January 1, 2014. HHS will continue to award grants through 2014 and states may use funds through the initial start-up year.

For a detailed breakdown of Exchange grant awards made to states visit: http://www.healthcare.gov/news/factsheets/2011/05/exchanges05232011a.html.

For more information on Exchanges, visit: http://www.healthcare.gov/exchanges.

9/26/12 The Patient-Centered Outcomes Research Institute, known as PCORI, is seeking input from patients through an online survey about the health care questions or decisions they are facing in order to help refine its research agenda. PCORI is also asking for the submission of research questions that would help improve health care delivery, address disparities in health care, or improve the communication of research findings. Created under ACA §6301, PCORI is an independent nonprofit, expected to provide billions in federal funds for studies, and is tasked with conducting patient-centered outcomes research.

Feedback from this survey from caregivers, health care professionals, patients, researchers and other stakeholders will help PCORI determine which research questions and studies to fund. PCORI Funding Announcements are issued to support comparative clinical effectiveness research and are based on PCORI's National Priorities for Research and Research Agenda which was approved by PCORI's Board of Governors in May 2012 and updated in part, based on public feedback from individuals and organizations.

In May PCORI announced the launch of its second funding cycle and the availability of up to \$96 million in funding for comparative clinical effectiveness research projects that provide patients with the ability to make better-informed health care decisions. Similar to PCORI's first primary research funding announcement in May 2012, this opportunity makes grants available in four research topic areas that would: assess prevention, diagnosis and treatment options; improve health care systems; address communication among patients, caregivers and clinicians; and eliminate health care disparities. PCORI expects to issue another funding opportunity in the fall in their fifth priority area, accelerating patient-centered and methodological research. PCORI has not posted a deadline for the submission of questions and comments.

Questions and comments may be submitted through an online survey tool at: pcori.org

For more information, please see <u>PCORI's National Priorities for Research</u> For more on funding announcements, visit: <u>pcori.org</u>

Learn more about PCORI at: http://www.pcori.org/about/

9/25/12 HHS announced that the Mental and Behavioral Health Education and Training grant program awarded \$9.8 million in grants to 24 graduate social work and psychology schools and programs. The program, authorized by §4002 and §5306(a) of the ACA, will increase the number of social workers and psychologists who work with underserved Americans, such as those who live in rural areas, military personnel, veterans, and their families.

The three-year grants will help eligible institutions of higher education to recruit students and provide support for clinical training in mental and behavioral health. Examples of funded institutions include accredited schools of social work and psychology and accredited psychology internship programs. In Massachusetts, the Trustees of Boston University received a \$480,000 grant award.

To view the grant awardees, visit: hrsa.gov

Read the original funding announcement from May 2012 at: HRSA

9/24/12 HHS announced that the Community Transformation Grants (CTG) Program awarded approximately \$70 million in grants to 40 communities to design and implement sustainable evidence-based strategies that will reduce health disparities and expand clinical and community preventive services.

The 2012 CTG awards (known as Small Community awards) will support areas with fewer than 500,000 people in neighborhoods, school districts, villages, towns, cities, and counties in order to increase opportunities to prevent chronic diseases and promote health. In Massachusetts, two organizations received 2012 CTG awards. Pioneer Valley Planning Commission was awarded \$1,993,433 to implement 'Scene in Springfield' which will bring a grocery store to a neighborhood of Springfield and nutrition education to the community. YMCA Southcoast was awarded \$1,064,531 to create a pipeline of community health workers to reduce regional health disparities in New Bedford and Fall River.

The CTG Program, which is authorized through ACA §4002, supports state and local government agencies, tribes and territories, nonprofit organizations, and communities nationwide. The 2012 CTG awards will benefit about 9.2 million Americans; this brings the total number of people reached through the CTG program to about 130 million Americans. 2012 marks the CDC's second year of support for CTG grants.

The CTG Program began in 2011 when the CDC awarded \$103 million to 61 state and local government agencies, tribes and territories, and nonprofit organizations in 36 states, along with approximately \$4 million to 6 national networks of community-based organizations. In 2011, the Department of Public Health received two CTG awards; the Massachusetts Core CTG award, totaling \$1,505,006 and the Massachusetts CTG award (to serve Middlesex County), totaling \$1,574,982. The Massachusetts' grants focus on expanding efforts in tobacco-free living, active living and healthy eating, quality clinical and other preventive services, social and emotional wellness, and healthy and safe physical environments.

Read a fact sheet about the CTG awards at: <u>Healthcare.gov</u>
Read a list of awards at: <u>http://www.cdc.gov/communitytransformation/small-communities/awardees.htm</u>

Learn more about DPH's awards at: Mass.gov

9/20/12-9/21/12 The Medicaid and CHIP Payment and Access Commission (MACPAC) met to discuss the Commission's research agenda, key Medicaid ACA eligibility issues, data for measuring access and Medicaid and CHIP statistics. MACPAC Commissioners reviewed emergency department use data as well as heard an update on Medicare-Medicaid coordination. MACPAC indicated they may want to further study Medicaid and CHIP eligibility and Exchange enrollment policies as they relate to how churning, coverage, benefits and cost sharing will evolve in 2014.

MACPAC was established by the Children's Health Insurance Program Reauthorization Act and later expanded and funded through §2801 and §10607 of the ACA. The commission consists of experts, government officials, executives and medical professionals. MACPAC is tasked with reviewing state and federal Medicaid and CHIP access and payment policies and making recommendations to Congress, the HHS Secretary, and the states on a wide range of issues affecting Medicaid and CHIP populations, including health care reform.

View the September meeting agenda at: http://www.macpac.gov/home/meetings/agenda-september-2012-meeting

Learn more about MACPAC at: http://www.macpac.gov/home

Upcoming Events

Money Follows the Person Stakeholder Meeting

October 10, 2012, 2:00 PM - 3:00 PM Worcester Public Library 3 Salem Street Worcester, MA 01608

The Executive Office of Health and Human Services (EOHHS) is holding a special statewide meeting to discuss exciting next steps in the Money Follows the Person (MFP) Rebalancing Demonstration. In these next steps, EOHHS will be implementing new services, supports and resources for qualified Medicaid-eligible individuals participating in the MFP Demonstration. Please contact MFP@state.ma.us to RSVP and to request reasonable accommodations. Although RSVPs are greatly appreciated, they are not required.

Money Follows the Person Working Group Meeting

November 28, 2012, 2:00 PM -3:30 PM State Transportation Building 10 Park Plaza Boston, MA 02116

Please contact MFP@state.ma.us if you would like to attend the meetings. Requests for reasonable accommodations should be sent to MFP@state.ma.us. Although an RSVP is not required, it is appreciated.

An MFP 101 introductory session will also be held at the State Transportation Building on November 28, 2012 from 1:30 PM-2:00 PM for those not familiar with MFP.

Bookmark the Massachusetts National Health Care Reform website at: http://mass.gov/national health reform to read updates on ACA implementation in

Massachusetts.

Remember to check http://mass.gov/masshealth/duals for information on the "Integrating Medicare and Medicaid for Dual Eligible Individuals" initiative.